

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: GVG FINANCIAL SERVICES, INC.
(DBA Cash N More)
3770 W. McFadden Avenue, Ste. B
Santa Ana, California 92704

1649 W. Orangethorpe Avenue
Fullerton, California 928232

10805 Orr & Day Road, Ste. C
Santa Fe Springs, California 90670

1219 E. 17th Street
Santa Ana, California 92703

1721 W. Katella Avenue, Ste. P
Anaheim, California 92804

12845 Chapman Avenue
Garden Grove, California 92840

119 W. Orangethorpe Avenue
Fullerton, California 92833

1315 N. Tustin Avenue, Ste. C
Orange, California 92867

CITATIONS, DESIST & REFRAIN ORDER, AND
ORDER VOIDING DEFERRED DEPOSIT TRANSACTIONS

(For violations of California Financial Code sections 23023, 23024, 23035, and 23036)

The California Corporations Commissioner finds that:

1. The California Corporations Commissioner (“Commissioner”) is informed and believes and based upon such information and belief alleges that GVG Financial Services, Inc. dba Cash N More (“GVG”) is, and was at all relevant times herein, a California corporation, with its principal place of business located at 3770 W. McFadden Avenue, Ste. B, Santa Ana, California 92704. GVG has seven further business locations situated at 1649 W. Orangethorpe

Avenue, Fullerton, California 92832; 10805 Orr & Day Road, Ste. C, Santa Fe Springs, California 90670; 1219 E. 17th Street, Santa Ana, California 92703; 1721 W. Katella Avenue, Ste. P, Anaheim, California 92804; 12845 Chapman Avenue, Garden Grove, California 92840; 119 W. Orangethorpe Avenue, Fullerton, California 92833; 1315 N. Tustin Avenue, Ste. C, Orange, California 92867.

2. Cain Rodriguez-Silva (aka "Cain Rodriguez"), a "branch manager," is, and was at all times relevant herein, an employee of GVG at 12845 Chapman Avenue, Garden Grove, California 92840 (the "Garden Grove location").

3. GVG has engaged in the business of deferred deposit transactions by originating deferred deposit transactions as described below.

4. On or about December 31, 2004, GVG obtained a license from the Commissioner to engage in the business of deferred deposit transactions at 12845 Chapman Avenue, Garden Grove, California 92840.

5. A deferred deposit transaction is a written transaction whereby one person gives funds to another person upon receipt of a personal check and it is agreed that the personal check shall not be deposited until a later date.

6. Pursuant to California Financial Code¹ section 23035, subdivisions (a) and (e), "[e]ach deferred deposit transaction shall be made pursuant to a written agreement as described in subdivision (e) that has been signed by the customer and by the licensee or an authorized representative of the licensee." Subdivision (e) of section 23035 provides in pertinent part that:

(e) An agreement to enter into a deferred deposit transaction shall be in writing and shall be provided by the licensee to the customer. The written agreement shall authorize the licensee to defer deposit of the personal check, shall be signed by the customer, and shall include [the disclosures and meet the specific requirements as set forth in subparts (1)-(13) of subdivision (e)].
(See Fin. Code, § 23035, subd. (e)(1)-(13).)

7. An examination of GVG's Garden Grove location conducted by the Commissioner in August 2006 disclosed that in fifteen (15) instances, between the period March 13, 2006 and

¹ All further statutory references are to the California Financial Code unless otherwise indicated.

1 July 11, 2006, GVG originated deferred deposit transactions without any written agreements in
2 violation of section 23035, subdivisions (a) and (e).

3 8. Pursuant to section 23035, subdivision (c), “[b]efore entering into a deferred
4 deposit transaction, licensees shall distribute to customers a notice [providing information about
5 charges for deferred deposit transactions, including the disclosure of other specific transactional
6 information, as set forth in subparts (1)-(6) of subdivision (c)].” (*See* Fin. Code, § 23035, subd.
7 (c)(1)-(6).)

8 9. The examination at GVG’s Garden Grove location conducted by the
9 Commissioner in August 2006 revealed that in fifteen (15) instances, between the period March
10 13, 2006 and July 11, 2006, GVG originated deferred deposit transactions without providing the
11 required written notice to its customers concerning those transactions in violation of section
12 23035, subdivision (c).

13 10. Pursuant to section 23036, subdivision (c), “[a] licensee shall not enter into an
14 agreement for a deferred deposit transaction with a customer during the period of time that an
15 earlier written agreement for a deferred deposit transaction for the same customer is in effect.”

16 11. The Commissioner’s examination at GVG’s Garden Grove location in August
17 2006 disclosed that in fifteen (15) instances, between the period March 13, 2006 and July 11,
18 2006, GVG entered into agreements for deferred deposit transactions with the same customers
19 during the period of time that an earlier written agreement for a deferred deposit transaction was
20 in effect in violation of section 23036, subdivision (c).

21 12. Pursuant to section 23023, “[n]o licensee shall transact the business licensed or
22 make any transaction provided for by this division under any other name . . . than that named in
23 the license except pursuant to a currently effective written order of the commissioner authorizing
24 the other name . . .”

25 13. The examination at GVG’s Garden Grove location conducted by the
26 Commissioner in August 2006 disclosed that in six (6) instances, between the period March 13,
27 2006 and July 11, 2006, GVG originated deferred deposit transactions with customers under the
28 name of its employee and branch manager, “Cain Rodriguez,” in violation of section 23023.

1 Specifically, the six (6) deferred deposit transaction checks were made payable to Cain
2 Rodriguez and deposited into Mr. Rodriguez' personal bank account. GVG has not received a
3 written order from the Commissioner authorizing the use of any other name other than that
4 named in its license. Furthermore, in another twenty-seven (27) instances, the licensee listed "L.
5 Gutierrez or GVG #106" as the payee on the deferred deposit checks in violation of section
6 23023.

7 14. Pursuant to section 23024, each licensee shall keep and use books, accounts, and
8 records to enable the commissioner to determine if the licensee is complying with the California
9 Deferred Deposit Transaction Law. Furthermore, all records are to be kept for two years
10 following the last entry on a deferred deposit transaction in order to enable an examiner to review
11 the recordkeeping and reconcile each consumer deferred deposit transaction.

12 15. Finally, the examination conducted by the Commissioner in August 2006
13 disclosed that GVG had failed to maintain books, accounts, and records, during the period March
14 13, 2006 to July 11, 2006, concerning cash transactions that would enable the examiner to
15 reconcile each consumer deferred deposit transaction with documentation maintained in the
16 consumer's deferred deposit transaction file records in violation of section 23024.

17 16. By reason of the foregoing, GVG has violated the provisions of sections 23023,
18 23024, 23035, and 23036 of the California Deferred Deposit Transaction Law and is thus subject
19 to the following Citations, as set forth more fully in paragraphs 17 through 31 below.

20 17. **Citation A.** On or about March 13, 2006 GVG originated a consumer deferred
21 deposit transaction with a customer at its Garden Grove location in the amount of two hundred
22 twenty-four dollars (\$224) in violation of the following provisions of the California Deferred
23 Deposit Transaction Law:

- 24 (a) GVG entered into the subject transaction without a written agreement in violation
25 of section 23035, subdivisions (a) & (e);
- 26 (b) GVG entered into the subject transaction without providing the customer the
27 appropriate notice in violation of section 23035, subdivision (c);
- 28 (c) GVG entered into the subject transaction during the period of time that an earlier

written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);

(d) GVG originated the subject transaction in the name of its branch manager, “Cain Rodriguez,” in violation of section 23023 by failing to make the check payable in the name of the licensee; the subject check was deposited into the personal bank account of Cain Rodriguez; GVG has not received a written order from the Commissioner authorizing the use of any other name;

(e) In or about March 12, 2006 through March 25, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer’s deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

18. **Citation B.** On or about March 13, 2006 GVG originated a second, separate and distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred twenty-four dollars (\$224) in violation of the following provisions of the California Deferred Deposit Transaction Law:

(a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);

(b) GVG entered into the subject transaction without providing the customer the appropriate notice in violation of section 23035, subdivision (c);

(c) GVG entered into the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);

(d) GVG originated the subject transaction in the name of its branch manager, “Cain Rodriguez,” in violation of section 23023 by failing to make the check payable in the name of the licensee; the subject check was deposited into the personal bank account of Cain Rodriguez; GVG has not received a written order from the

Commissioner authorizing the use of any other name;

- (e) In or about March 8, 2006 through March 23, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer's deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

19. **Citation C.** On or about March 25, 2006, GVG originated a consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred twenty-four dollars (\$224) in violation of the following provisions of the California Deferred Deposit Transaction Law:

- (a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);
- (b) GVG entered into the subject transaction without providing the customer the appropriate notice in violation of section 23035, subdivision (c);
- (c) GVG entered into the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);
- (d) "L. Gutierrez or GVG #106" was listed as the payee on the deferred deposit check in violation of 23023; GVG has not received a written order from the Commissioner authorizing the use of any other name;
- (e) In or about March 25, 2006 through April 10, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer's deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

20. **Citation D.** On or about March 25, 2006 GVG originated a second, separate and distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred twenty-four dollars (\$224) in violation of the following provisions of the California Deferred Deposit Transaction Law:

- (a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);
- (b) GVG entered into the subject transaction without providing the customer the appropriate notice in violation of section 23035, subdivision (c);
- (c) GVG entered into the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);
- (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check in violation of 23023; GVG has not received a written order from the Commissioner authorizing the use of any other name;
- (e) In or about March 23, 2006 through April 8, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer’s deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

21. **Citation E.** On or about April 15, 2006, GVG originated a consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit Transaction Law:

- (a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);
- (b) GVG entered into the subject transaction without providing the customer the

appropriate notice in violation of section 23035, subdivision (c);

(c) GVG entered into the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);

(d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check in violation of 23023; GVG has not received a written order from the Commissioner authorizing the use of any other name;

(e) In or about April 14, 2006 through April 24, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer’s deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

22. **Citation F.** On or about April 25, 2006, GVG originated a consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred twenty-four dollars (\$224) in violation of the following provisions of the California Deferred Deposit Transaction Law:

(a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);

(b) GVG entered into the subject transaction without providing the customer the appropriate notice in violation of section 23035, subdivision (c);

(c) GVG entered the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);

(d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check in violation of 23023; GVG has not received a written order from the

Commissioner authorizing the use of any other name;

- (e) In or about April 25, 2006 through May 8, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer's deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

23. **Citation G.** On or about April 28, 2006, GVG originated a consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit Transaction Law:

- (a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);
- (b) GVG entered into the subject transaction without providing the customer the appropriate notice in violation of section 23035, subdivision (c);
- (c) GVG entered into the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);
- (d) "L. Gutierrez or GVG #106" was listed as the payee on the deferred deposit check in violation of 23023; GVG has not received a written order from the Commissioner authorizing the use of any other name;
- (e) In or about April 10, 2006 through May 8, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer's deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

24. **Citation H.** On or about May 13, 2006, GVG originated a consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit Transaction Law:

- (a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);
- (b) GVG entered into the subject transaction without providing the customer the appropriate notice in violation of section 23035, subdivision (c);
- (c) GVG entered into the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);
- (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check in violation of 23023; GVG has not received a written order from the Commissioner authorizing the use of any other name;
- (e) In or about May 9, 2006 through May 23, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer’s deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

25. **Citation I.** On or about May 13, 2006, GVG originated a second, separate and distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit Transaction Law:

- (a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);
- (b) GVG entered into the subject transaction without providing the customer the

appropriate notice in violation of section 23035, subdivision (c);

- (c) GVG entered into the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);
- (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check in violation of 23023; GVG has not received a written order from the Commissioner authorizing the use of any other name;
- (e) In or about May 8, 2006 through May 23, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer’s deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

26. **Citation J.** On or about May 27, 2006, GVG originated a consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit Transaction Law:

- (a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);
- (b) GVG entered into the subject transaction without providing the customer the appropriate notice in violation of section 23035, subdivision (c);
- (c) GVG entered into the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);
- (d) GVG originated the subject transaction in the name of its branch manager, “Cain Rodriguez,” in violation of section 23023 by failing to make the check payable in

the name of the licensee; the subject check was deposited into the personal bank account of Cain Rodriguez; GVG has not received a written order from the Commissioner authorizing the use of any other name;

- (e) In or about May 23, 2006 through June 8, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer's deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

27. **Citation K.** On or about May 27, 2006, GVG originated a second, separate and distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit Transaction Law:

- (a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);
- (b) GVG entered into the subject transaction without providing the customer the appropriate notice in violation of section 23035, subdivision (c);
- (c) GVG entered into the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);
- (d) GVG originated the subject transaction in the name of its branch manager, "Cain Rodriguez," in violation of section 23023 by failing to make the check payable in the name of the licensee; the subject check was deposited into the personal bank account of Cain Rodriguez; GVG has not received a written order from the Commissioner authorizing the use of any other name;
- (e) In or about May 23, 2006 through June 8, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific

consumer deferred deposit transaction with the documentation maintained in the consumer's deferred deposit transaction file in violation of section 23024.

Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

28. **Citation L.** On or about June 10, 2006, GVG originated a consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit Transaction Law:

- (a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);
- (b) GVG entered into the subject transaction without providing the customer the appropriate notice in violation of section 23035, subdivision (c);
- (c) GVG entered into the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);
- (d) GVG originated the subject transaction in the name of its branch manager, "Cain Rodriguez," in violation of section 23023 by failing to make the check payable in the name of the licensee; the subject check was deposited into the personal bank account of Cain Rodriguez; GVG has not received a written order from the Commissioner authorizing the use of any other name;
- (e) In or about June 10, 2006 through June 23, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer's deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

29. **Citation M.** On or about June 10, 2006, GVG originated a second, separate and

distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit Transaction Law:

- (a) GVG entered into the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);
- (b) GVG entered into the subject transaction without providing the customer the appropriate notice in violation of section 23035, subdivision (c);
- (c) GVG entered into the subject transaction with a customer during the period of time that an earlier written agreement for a deferred deposit transaction for the same customer was in effect in violation of section 23036, subdivision (c);
- (d) GVG originated the subject transaction in the name of its branch manager, “Cain Rodriguez,” in violation of section 23023 by failing to make the check payable in the name of the licensee; the subject check was deposited into the personal bank account of Cain Rodriguez; GVG has not received a written order from the Commissioner authorizing the use of any other name;
- (e) In or about June 8, 2006 through June 23, 2006, GVG failed to keep and use books, accounts, and records to enable the examiner to reconcile a specific consumer deferred deposit transaction with the documentation maintained in the consumer’s deferred deposit transaction file in violation of section 23024. Specifically, the consumer paid off the loan transaction in cash, however, the licensee failed to produce books, accounts, and records demonstrating this fact.

30. **Citation N.** On or about June 24, 2006, GVG originated a consumer deferred deposit transaction with a customer at its Garden Grove location in the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the California Deferred Deposit Transaction Law:

- (a) GVG entered the subject transaction without a written agreement in violation of section 23035, subdivisions (a) & (e);

- 1 (b) GVG entered into the subject transaction without providing the customer the
- 2 appropriate notice in violation of section 23035, subdivision (c);
- 3 (c) GVG entered into the subject transaction with a
- 4 customer during the period of time that an earlier written agreement for a deferred
- 5 deposit transaction for the same customer was in effect in violation of section
- 6 23036, subdivision (c);
- 7 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check
- 8 in violation of 23023; GVG has not received a written order from the
- 9 Commissioner authorizing the use of any other name;
- 10 (e) In or about June 23, 2006 through July 10, 2006, GVG failed to keep and use
- 11 books, accounts, and records to enable the examiner to reconcile a specific
- 12 consumer deferred deposit transaction with the documentation maintained in the
- 13 consumer’s deferred deposit transaction file in violation of section 23024.
- 14 Specifically, the consumer paid off the loan transaction in cash, however, the
- 15 licensee failed to produce books, accounts, and records demonstrating this fact.
- 16 31. **Citation O.** On or about June 24, 2006, GVG originated a second, separate and
- 17 distinct, consumer deferred deposit transaction with a customer at its Garden Grove location in
- 18 the amount of two hundred eighty dollars (\$280) in violation of the following provisions of the
- 19 California Deferred Deposit Transaction Law:
- 20 (a) GVG entered into the subject transaction without a written agreement in violation
- 21 of section 23035, subdivisions (a) & (e);
- 22 (b) GVG entered into the subject transaction without providing the customer the
- 23 appropriate notice in violation of section 23035, subdivision (c);
- 24 (c) GVG entered into the subject transaction with a
- 25 customer during the period of time that an earlier written agreement for a deferred
- 26 deposit transaction for the same customer was in effect in violation of section
- 27 23036, subdivision (c);
- 28 (d) “L. Gutierrez or GVG #106” was listed as the payee on the deferred deposit check

in violation of 23023; GVG has not received a written order from the
Commissioner authorizing the use of any other name;

- (e) In or about June 23, 2006 through July 10, 2006, GVG failed to keep and use
books, accounts, and records to enable the examiner to reconcile a specific
consumer deferred deposit transaction with the documentation maintained in the
consumer's deferred deposit transaction file in violation of section 23024.
Specifically, the consumer paid off the loan transaction in cash, however, the
licensee failed to produce books, accounts, and records demonstrating this fact.

CITATIONS

Pursuant to California Financial Code section 23058, GVG is hereby ordered to pay to
the Commissioner an administrative penalty in the total amount of thirty-seven thousand five
hundred dollars (\$37,500) for the following Citations within 30 days from the date of these
Citations.

- Citation A. - two thousand five hundred dollars (\$2,500)
- Citation B. - two thousand five hundred dollars (\$2,500)
- Citation C. - two thousand five hundred dollars (\$2,500)
- Citation D. - two thousand five hundred dollars (\$2,500)
- Citation E. - two thousand five hundred dollars (\$2,500)
- Citation F. - two thousand five hundred dollars (\$2,500)
- Citation G. - two thousand five hundred dollars (\$2,500)
- Citation H. - two thousand five hundred dollars (\$2,500)
- Citation I. - two thousand five hundred dollars (\$2,500)
- Citation J. - two thousand five hundred dollars (\$2,500)
- Citation K. - two thousand five hundred dollars (\$2,500)
- Citation L. - two thousand five hundred dollars (\$2,500)
- Citation M. - two thousand five hundred dollars (\$2,500)
- Citation N. - two thousand five hundred dollars (\$2,500)
- Citation O. - two thousand five hundred dollars (\$2,500)

1 These Citations shall remain in full force and effect until further order of the
2 Commissioner.

3 **DESIST AND REFRAIN ORDER**

4 Pursuant to California Financial Code section 23050, GVG is hereby ordered to desist
5 and refrain from violating sections 23023, 23024, 23035, and 23036 of the California Deferred
6 Deposit Transaction Law codified beginning at section 23000 *et seq.* This Order is necessary, in
7 the public interest, for the protection of consumers and is consistent with the purposes, policies
8 and provisions of the California Deferred Deposit Transaction Law. This order shall remain in
9 full force and effect until further order of the Commissioner.

10 **ORDER VOIDING DEFERRED DEPOSIT TRANSACTIONS**

11 GVG willfully violated sections 23023, 23024, 23035, and 23036 of the California
12 Deferred Deposit Transaction Law by entering into fifteen (15) consumer deferred deposit
13 transactions, while existing loans were outstanding, without providing the customers written
14 agreements and proper consumer notice, as described in more detail above.

15 Pursuant to California Financial Code section 23060, subdivision (b), all fifteen (15) of
16 the aforementioned consumer deferred deposit transactions, totaling three thousand nine hundred
17 twenty dollars (\$3,920), shall be declared void, and no person shall have any right to collect or
18 receive any amount provided in the deferred deposit transactions, any charges, or fees in
19 connection with those transactions.

20 **CODE SECTIONS**

21 California Financial Code section 23058 provides, in relevant part:

22 (a) If, upon, inspection, examination, or investigation, based upon a complaint or
23 otherwise, the department has cause to believe that . . . a licensee or person is
24 violating any provision of this division or any rule or order thereunder, the
25 department may issue a citation to that person in writing, describing with
26 particularity the basis of the citation. Each citation may contain an order to desist
and refrain and an assessment of an administrative penalty not to exceed two
thousand five hundred dollars (\$2,500) . . .

27 (c) If within 30 days from the receipt of the citation of the person cited fails to
28 notify the department that the person intends to request a hearing as described in
subdivision (d), the citation shall be deemed final.

(d) Any hearing held under this section shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code . . .

California Financial Code section 23050 provides:

Whenever, in the opinion of the commissioner, any person is engaged in the business of deferred deposit transactions, as defined in this division, without a license from the commissioner, or any licensee is violating any provision of this division, the commissioner may order that person or licensee to desist and to refrain from engaging in the business or further violating this division. If, within 30 days, after the order is served, a written request for a hearing is filed and no hearing is held within 30 days thereafter, the order is rescinded.

California Financial Code section 23060 provides, in relevant part:

(b) If any provision of this division is willfully violated in the making or collection of a deferred deposit transaction, the deferred deposit transaction contract shall be void, and no person shall have any right to collect or receive any amount provided in the deferred deposit transaction, any charges, or fees in connection with the transaction.

Dated: May 15, 2007
Los Angeles, CA

PRESTON DuFAUCHARD
Corporations Commissioner

By _____
ALAN S. WEINGER
Lead Corporations Counsel
Enforcement Division

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: CAIN RODRIGUEZ-SILVA
12822 Gloria Place
Garden Grove, California 92843-2134

DESIST AND REFRAIN ORDER
(For violations of California Financial Code section 23005)

The California Corporations Commissioner finds that:

1. The California Corporations Commissioner (“Commissioner”) is informed and believes and based upon such information and belief alleges that GVG Financial Services, Inc. dba Cash N More (“GVG”) is, and was at all relevant times herein, a California corporation, with its principal place of business located at 3770 W. McFadden Avenue, Ste. B, Santa Ana, California 92704. GVG has seven further business locations situated at 1649 W. Orangethorpe Avenue, Fullerton, California 92832; 10805 Orr & Day Road, Ste. C, Santa Fe Springs, California 90670; 1219 E. 17th Street, Santa Ana, California 92703; 1721 W. Katella Avenue, Ste. P, Anaheim, California 92804; 12845 Chapman Avenue, Garden Grove, California 92840; 119 W. Orangethorpe Avenue, Fullerton, California 92833; 1315 N. Tustin Avenue, Ste. C, Orange, California 92867.

2. Robert Vizcarra (“Vizcarra”) is, and was at all relevant times herein, the president of GVG.

3. Cain Rodriguez-Silva¹ (“Rodriguez-Silva”) is, and was at all times relevant herein, the branch manager at GVG’s location situated at 12845 Chapman Avenue, Garden Grove, California 92840 (the “Garden Grove location”).

4. Rodriguez-Silva has engaged in the business of deferred deposit transactions by originating deferred deposit transactions as described below.

¹ Aka Cain Rodriguez.

5. An examination of GVG’s Garden Grove location conducted by the Commissioner in August 2006 disclosed that Rodriguez-Silva had originated at least six (6) deferred deposit transactions. The examination further disclosed that Rodriguez-Silva had been engaged in originating deferred deposit transactions since at least March 13, 2006 through at least June 23, 2006.

6. A deferred deposit transaction is a written transaction whereby one person gives funds to another person upon receipt of a personal check and it is agreed that the personal check shall not be deposited until a later date.

7. On at least six (6) occasions, Rodriguez-Silva originated deferred deposit transactions with customers at GVG’s Garden Grove location while employed as a branch manager. He accepted deferred deposit checks from borrowers for repayment with the checks made payable to him and deposited said checks into his own personal bank account. Following an interview with a Department of Corporations examiner, Rodriguez-Silva provided a written statement on or about August 31, 2006, in which he admitted that he had engaged in deferred deposit transactions with GVG's customers.

8. Rodriguez-Silva has not been issued a license by the Commissioner authorizing him to engage in the business of deferred deposit transactions under the California Deferred Deposit Transaction Law (“CDDTL”) (Fin. Code, §§ 23000 et seq.)².

9. Rodriguez-Silva is not exempt from the licensing requirements of Financial Code section 23005.

10. Rodriguez-Silva was specifically aware that a CDDTL license was required in order to engage in the business of deferred deposit transactions as his employer GVG had obtained a CDDTL license from the Commissioner concerning its Garden Grove location on December 31, 2004. A CDDTL license was never issued to Rodriguez-Silva.

By reason of the foregoing, Rodriguez-Silva has engaged in the business of deferred deposit transactions without having first obtained a license from the Commissioner in violation

² GVG is licensed by the Commissioner authorizing it to engage in the business of deferred deposit transactions under the CDDTL at all eight of its locations listed above in paragraph 1.

1 of Financial Code section 23005.

2 Pursuant to California Financial Code section 23050, Rodriguez-Silva is hereby ordered
3 to desist and refrain from engaging in the business of deferred deposit transactions in the State of
4 California without first obtaining a license from the Commissioner, or otherwise being exempt.
5 This Order is necessary, in the public interest, for the protection of consumers and is consistent
6 with the purposes, policies and provisions of the California Deferred Deposit Transaction Law.
7 This order shall remain in full force and effect until further order of the Commissioner.

8 California Financial Code section 23050 provides in pertinent part:

9 Whenever, in the opinion of the commissioner, any person is engaged in the
10 business of deferred deposit transactions, as defined in this division, without
11 a license from the commissioner . . . the commissioner may order that person
12 or licensee to desist and to refrain from engaging in the business . . . If, within
30 days, after the order is served, a written request for a hearing is filed and no
hearing is held within 30 days thereafter, the order is rescinded.

13 Dated: May 15, 2007
14 Los Angeles, CA

PRESTON DuFAUCHARD
Corporations Commissioner

15 By _____
16 ALAN S. WEINGER
17 Lead Corporations Counsel
18 Enforcement Division
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